

Message Text

UNCLASSIFIED

PAGE 01 LAGOS 01262 021016Z

ACTION AF-10

INFO OCT-01 ISO-00 EB-08 AID-05 COME-00 INT-05 SOE-02

CEA-01 CIAE-00 DODE-00 DOE-11 H-02 INR-07 L-03

NSAE-00 NSC-05 OMB-01 PM-05 USIA-15 OES-07 SP-02

SS-15 STR-07 TRSE-00 ACDA-12 /124 W

-----002460 030041Z /75

R 311350Z JAN 78

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 6230

USDOC WASHDC

INFO AMCONSUL IBADAN

AMCONSUL KADUNA

UNCLAS LAGOS 01262

FOR AF/W, AID/RDP AND USDOC/MEPD/SIPS

E.O. 11652: N/A

TAGS: EAID, BENC, EMIN, ENRG, BTIO, NI

SUBJECT: MANAGEMENT NEEDED FOR COAL SECTOR PROBLEMS

REF: (A) STATE 16029: (B) LAGOS 240

1. AFTER REVIEWING OPTIONS PRESENTED IN REF A, EMBAFRFLCONTINUES TO FEEL THAT WHAT NIGERIAN COAL CORPORATION (NCC) NEEDS IS A GENERAL MANAGER (GM) AND NOT ANOTHER CONSULTANT. NCC NEEDS SOMEONE WHO CAN MAKE TECHNICAL HIGH LEVEL DECISIONS AND SEE THAT THEY ARE CARRIED OUT. ACCORDING TO AKPALA, NCC HAS NO PROMISING MANAGERIAL STAFF OF GM CALIBER AT PRESENT TIME.

2. WE FEEL THAT THE NET BENEFIT TO THE US FROM FINDING OR OFFERING BA GM EXCEEDS THE NET BENEFIT FROM OFFERING A CONSULTANT. FIRST, THE OFFER OF A CONSULTANT AFTER AKPALA CLEARLY STATED THE NEED FOR SOMEONE TO GET THINGS MOVING, MIGHT BE READY BY THE NIGERIANS AS A REFUSAL TO HELP. THEY WOULD BE LEFT WITH THE SINGLE OPTION OF THE BRITISH WHO

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LAGOS 01262 021016Z

REPORTEDLY WILL TOP OFF SALARIES OF BRITISH COAL EXECUTIVES WITH ASSISTANCE FUNDS. SECOND, GIVEN WEAK NIGERIAN MANAGEMENT, EVEN IF US CONSULTANTS WERE USED THEY WOULD LIKELY BE FRUSTRATED BY BEUNGWOUTSIDE THE CHAIN OF AUTHORITY. ON OTHER HAND US MANAGER WOULD BE ABLE TO FOLLOW UP ON HIS PLANS GIVING A GREATER CHANCE FOR SUCCESS WITH THE POSSIBILITY FOR A FURTHER SALE OF SERVICES BOTH TO NCC AND OTHER AILING PARASTATALS. GIVEN ACKNOWLEDGED

ABYSMAL STATE OF NCC, LACK OF SUCCESS BY US MANAGER WOULD PROBABLY HAVE MINIMAL COST FOR US PRESTIGE.

3. IN LIGHT OF PARAS 1 AND 2 ABOVE, WE RECOMMEND THAT DEPARTMENT FIRST OBTAIN A CLEARER PICTURE OF WHAT WE CAN OFFER IN TERMS OF PRIVATE MANAGEMENT OPTION. HOW SERIOUS IS INTEREST OF DRAVO, BECHTEL AND OTHER AMERICAN FIRMS IN SUPPLYING A GM? WILL THEY TOP OFF HIS SALARY IN THE INITIAL STAGES, INVESTING IN THE POSSIBILITY THAT THEY CAN EARN IT BACK LATER IN THE SALE OF SERVICES OR MACHINERY? WHEN WOULD THE CANDIDATE BE AVAILABLE? HOW LONG WOULD HE STAY?

4. IF THERE IS NO EARLY POSSIBILITY OF PRIVATE SECTOR HELP, NEXT PREFERENCE IS INTERNATIONAL EXECUTIVE SERVICE CORPS (IESC). HOW MUCH TIME IS REQUIRED TO HAVE AN IESC ADVISOR HERE? COULD THE CANDIDATE WORK FOR UP TO TWO YEARS INSTEAD OF THE 2-4 MONTHS MENTIONED IN REFTEL A? MAIN OBJECTIVE WOULD BE FOR HIM TO FIND AND BREAK IN A COMPETENT GM, FROM NIGERIA OR ELSEWHERE.

5. OPTION FOR A 607 STUDY FOLLOWED BY A 661 SALE OF

SERVICES COULD BE KEPT AS A FALL BACK POSITION. BEFORE IMPLEMENTING IT, DEPARTMENT SHOULD ENSURE THAT PERSONNEL WOULD BE AVAILABLE FOR FOLLOW-ON REIMBURSABLE SERVICES. PLEASE NOTE THAT WE OPENED DIALOGUE WITH NCC BY OFFERING RDP, WHICH NCC DECLINED AS JUST ANOTHER CONSULTANCY.
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LAGOS 01262 021016Z

6. WOULD APPRECIATE PROMPT RESPONSE ON FIRST PREFERENCE, PRIVATE SECTOR PARTICIPATION.
OASUM

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MANAGEMENT, COAL
Control Number: n/a
Copy: SINGLE
Draft Date: 31 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LAGOS01262
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780051-1152
Format: TEL
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978014/aaaaadbj.tel
Line Count: 98
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6f1ac7e1-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 16029, 78 LAGOS 240
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3739901
Secure: OPEN
Status: NATIVE
Subject: MANAGEMENT NEEDED FOR COAL SECTOR PROBLEMS
TAGS: EAID, BENC, EMIN, ENRG, BTIO, NI
To: STATE COM
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/6f1ac7e1-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014